

#### Testimony of

# Ed Hawthorne, President Connecticut AFL-CIO

Labor & Public Employees Committee February 7, 2023

SB 937 An Act Providing Workers' Compensation Benefits for Certain Cancers in Firefighters
SB 983 An Act Concerning Unemployment Benefits for Striking Workers
HB 5854 An Act Concerning the Number of Wage and Hour Inspectors at the Labor Department
HB 6273 An Act Concerning Disclosure of Salary Ranges on Public and Internal Job Postings
HB 6285 An Act Concerning Employers and Employees' Union Memberships
HB 6594 An Act Concerning Noncompete Agreements

Good afternoon, Senator Kushner, Representative Sanchez and members of the Labor & Public Employees Committee. My name is Ed Hawthorne, and I am proud to serve as the President of the Connecticut AFL-CIO, a federation of hundreds of local unions representing more than 200,000 workers in the private sector, public sector, and building trades. Our members live and work in every city and town in our state and reflect the diversity that makes Connecticut great. It is on their behalf that I testify on a number of bills today.

SB 937 An Act Providing Workers' Compensation Benefits for Certain Cancers in Firefighters — SUPPORT We rely on firefighters to help us in an emergency. They are real life heroes who save lives every day. When someone is in trouble, they often jeopardize their own wellbeing to deliver them from harm. Their jobs are full of risk. That's why our laws must protect and care for firefighters when they are their time of need.

Cancer is a leading cause of death among firefighters — surpassing heart disease - and research suggests they are at greater risk for developing certain types of cancers when compared to the general population. Fire scenes are complex and contain many seen and unseen hazards. Firefighters can be exposed to hundreds of different chemicals in the form of gases, vapors, and particulates. Some of these chemical substances are known or suspected to cause cancer. Some are byproducts of combustion or burning, such as benzene and formaldehyde. Others come from the materials burning or in the fire debris, such as asbestos in older structures. Firefighters can come into contact with chemicals by breathing them in, getting them on their skin or in their eyes, or by ingesting them.

Connecticut is an outlier in that we have not established a firefighters workers' compensation presumption. Many other states already assume that firefighters who contract certain types of cancer do so as a result of work-related exposure, allowing them and their families to receive the care and compensation that workers' compensation provides. SB 937 would do that for Connecticut firefighters. It's past time that we take care of those who are always ready to help us. We urge the Committee to support this bill.

## SB 983 An Act Concerning Unemployment Benefits for Striking Workers - SUPPORT

Many workers have become fed up with low wages, unaffordable healthcare, unpredictable schedules and the overall disdain and disregard their employers have for them while they profit handsomely from their labor. At the same time, employers across the state and the nation bemoan a "worker shortage," seemingly unaware or unwilling to admit that their relentless greed and exploitation has created the labor market they now find abhorrent. I would argue that there isn't a shortage of workers willing to work hard in safe workplaces for fair wages and benefits. Rather, there is a shortage of employers willing to provide the dignity, respect and compassion their employees deserve.

Thankfully, workers can exercise their right to fight back and walk off the job. But deciding to go on strike is not an easy or glamorous decision. Workers in a bargaining unit can only strike with a majority, or sometimes supermajority, vote, but that step is reached only after months of failed negotiations which were often preceded by months, or even years, of labor-management tension.

It takes tremendous courage to go out on strike. Workers risk losing their income, their jobs if replacement workers are hired and employer retaliation. But many workers believe the alternative - the chance to achieve long-term improvements in pay, benefits and working conditions - is worth with the risk. At that point, it's not really a choice (because bargaining is no longer showing results and the wages and/or working conditions are unsuitable). And once a strike vote succeeds and a strike begins, an employee puts themselves in a terrible position if they cross a picket line. By honoring the picket line, they are abiding by the decision their colleagues made. It's binding and their unemployment is therefore involuntary.

A strike isn't romantic or poetic. It's a difficult, anxious and terrifying time for all involved. SB 938 will reduce the number of strikes by encouraging employers to bargain in good faith. If they understand their unemployment experience rate could increase if their employees were able to collect unemployment benefits after being on strike for two weeks, they will be more likely to negotiate to avoid a work stoppage altogether. They would also save themselves the inconvenience and added cost of hiring replacement workers. In addition, SB 938 would lessen the financial impact on Connecticut striking workers by providing them with some modest economic relief after a two-week waiting period. It won't make them whole, by any means, but it will keep them and their families going until a negotiated settlement can be reached. This will also have a positive economic impact for the state, as striking workers pay their bills and feed their families, reducing their reliance on safety net programs during a strike.

Opponents of SB 938 will likely suggest that its impact to the Unemployment Insurance Trust Fund will be significant, but as I discussed earlier, voting to strike is such a difficult endeavor and therefore exceedingly rare. The federal Bureau of Labor Statistics has collected data on strikes involving 1,000 workers or more since 1993. As shown in the table below, over the course of nearly 30 years, Connecticut has had only 11 strikes involving more than 1,000 workers. Only five of those lasted for more than two weeks, the most recent being at Sikorsky in 2006.<sup>1</sup>

Employer	Union	Work stoppage beginning date	Work stoppage ending date	Number of workers
Connecticut Construction Contractors	International Brotherhood of Teamsters	6/6/1994	6/18/1994	6,000
Yale University	Hotel Employees and Restaurant Employees	2/7/1996	3/5/1996	1,200
Yale University	Hotel Employees and Restaurant Employees	3/27/1996	4/23/1996	1,100
Connecticut nursing homes	Service Employees	3/20/2001	3/21/2001	4,500

<sup>&</sup>lt;sup>1</sup> https://www.bls.gov/wsp/ and https://www.bls.gov/web/wkstp/monthly-listing.htm

	International Union			
Connecticut nursing homes	Service Employees International Union	5/2/2001	5/24/2001	4,600
Pratt and Whitney Division, United Technologies Corp.	International Association of Machinists	12/3/2001	12/13/2001	5,000
Connecticut Construction Industry Association	United Brotherhood of Carpenters	5/1/2002	5/14/2002	3,000
Yale University	Hotel Employees and Restaurant Employees	3/3/2003	3/7/2003	2,500
Yale University	Hotel Employees and Restaurant Employees	8/27/2003	9/19/2003	1,900
Sikorsky Aircraft Corporation	International Brotherhood of Teamsters	2/20/2006	4/3/2006	3,600
Stop & Shop Supermarket Co.	United Food and Commercial Workers	4/11/2019	4/21/2019	31,000

The Worker Institute at Cornell University has been tracking work stoppages at all workplaces, regardless of size, since January 2021 with its Labor Action Tracker.<sup>2</sup> During that time, just nine labor actions involving work stoppages took place in Connecticut. Most only lasted a day or two. Just three lasted more than two weeks:

- 185 SEIU 1199NE members in four Sunrise Northeast locations (Hartford, Columbia, New London, Danielson) went on strike for 58 days beginning in October 2021 for better pay, healthcare and retirement benefits.
- 1,300 United Steelworkers members at Alleghany Technologies in Waterbury went on strike for 111 days in from March to July 2021 over pay, healthcare, and job security.
- 50 SEIU 1199NE members at Windsor Health and Rehabilitation went on strike for 26 days in April and May 2022 for better pay and more affordable healthcare.

This experience suggests that if SB 938 were already law, only 1,535 workers would have benefitted in the last year. This number is so small, compared with the volume of claims already administered, that it would likely have no effect on its solvency. According to data on the Connecticut Department of Labor's website, the total number of initial unemployment claims filed and paid between July and December 2022 totaled 104,846. The average weekly benefit during November 2022 was \$383, meaning the fund paid out approximately \$40,018,138 each week in benefits. Adding the 1,535 workers who had been on strike for more than two weeks would have only increased claims and benefits by less than 1.5%. Much of this tiny increase would be offset by increased employer experienced ratings paid into the Fund. Arguments that SB 938 would bankrupt the Fund just don't hold water.

The Department of Labor has expressed concern that SB 938 may would result in significant programming and technology system changes. As we understand it, the Department has completed its years-long software modernization process and should be able to implement the provisions of SB 938 if enacted. We urge the Department to hold the software vendor accountable if it has encountered problems or delays. Incomplete, ineffective or delayed technology should not dictate the agency's ability to implement good policy for Connecticut's workers. Further, current statute, unchanged by SB 938, allows locked out workers to access unemployment benefits. Workers who go on strike on a Monday are ineligible for unemployment benefits, but the same workers who are locked out by the employer on a Tuesday are eligible. The Department already

-

<sup>&</sup>lt;sup>2</sup> https://striketracker.ilr.cornell.edu/

must implement this change in status. The provisions of SB 938 provide much more advanced notice and a more streamlined process of determining eligibility than what the Department must already implement with regard to locked out workers.

Lastly, SB 938 would align Connecticut unemployment policy with two neighboring states. New Jersey and New York enacted similar legislation in 2018 and 2020 respectively. Neither have seen their fund balances adversely impacted or encountered insurmountable technology issues in the processing of the applications of eligible striking workers. We urge the Committee to support this bill.

## HB 5854 An Act Concerning the Number of Wage and Hour Inspectors at the Labor Department — SUPPORT

Wage theft occurs when employers do not pay workers according to the law. Examples of wage theft include paying less than minimum wage, prevailing wage or standard wage, not paying workers overtime, not allowing workers to take meal and rest breaks, requiring off the clock work, or taking workers' tips. Employees can fight back against employer wage theft by filing a wage complaint with Connecticut Department of Labor's Wage and Workplace Standards Division. Wage and Hour Inspectors investigate alleged employer violations of labor law and can recover missed or unpaid wages for employees and levy fines and penalties on employers who do not follow the law. They play an essential role in protecting workers' rights and enforcing Connecticut's wage and hour laws.

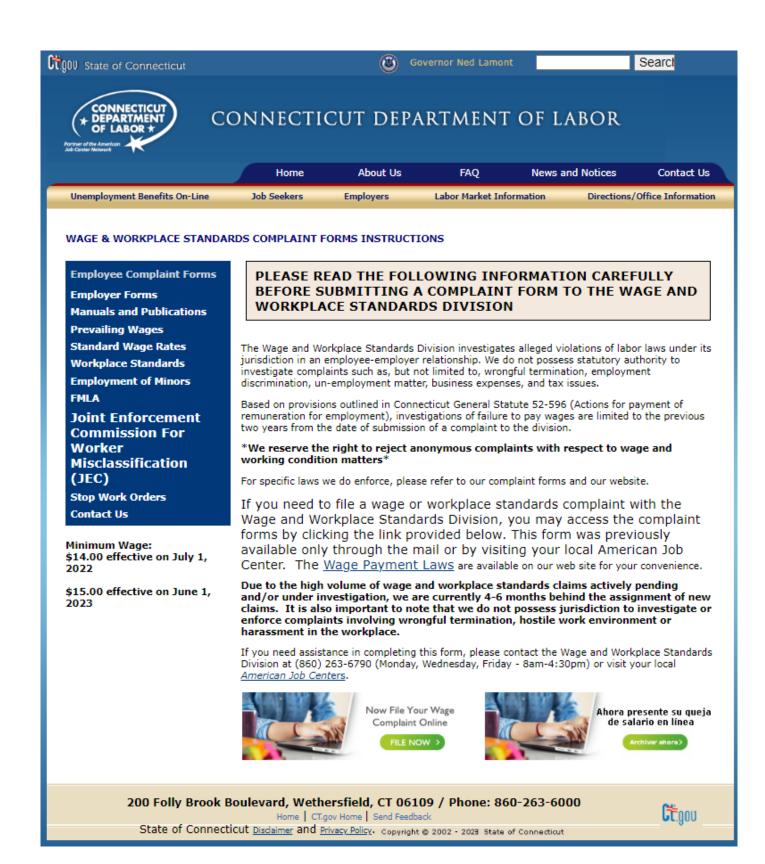
Unfortunately, like most state agencies, the Department of Labor is understaffed. Unfilled Wage and Hour Inspector positions is a special concern because of the work they do. In addition to being revenue positive, meaning they can potentially collect more than they are paid themselves, they ensure that employers follow the law and that employees are paid appropriately and in a timely manner. No law has meaning without proper implementation and enforcement. HB 5854 ensures that employees and employers can trust that the state's wage laws are being implemented and enforced by requiring the Department to maintain at least 45 Wage and Hour Inspectors at any given time.

On its own website (the screenshot below was captured on February 4, 2023), the Connecticut Department of Labor's Wage and Workforce Standards Division states:

"Due to the high volume of wage and workplace standards claims actively pending and/or under investigation, we are currently 4-6 months behind the assignment of new claims." <sup>3</sup>

4

<sup>&</sup>lt;sup>3</sup> https://www.ctdol.state.ct.us/wgwkstnd/forms-wwsInstruct.htm



By its own admission, the Division cannot keep pace with the number of claims it receives. If new wage complaints cannot even be assigned to a Wage and Hour Inspector for four to six months, there is little hope that employees will see timely resolutions to their claims. In addition, unlawful employers are likely emboldened by this backlog, and encouraged to take a chance that claims against them may never be investigated, let alone adjudicated. It's unacceptable. We urge the Committee to support this bill.

## HB 6273 An Act Concerning Disclosure of Salary Ranges on Public and Internal Job Postings - SUPPORT

The gender wage gap, created over decades, still persists in Connecticut and nationally in nearly all occupations and industries. Today, Connecticut women earn an average of \$0.84 cents for every dollar paid to men. The gender wage gap is more severe for women of color:

- Asian women working full time, year-round earn \$0.83
- Black women working full time, year-round earn \$0.57
- Native women working full time, year-round earn \$0.55
- Latina women working full time, year-round earn \$0.48

Women in unions, working under negotiated collective bargaining agreements, are more likely to be paid higher, fairer wages and have better access to health insurance, pensions and other benefits. More must be done to afford these same protections to non-union women.

The Connecticut AFL-CIO applauds the work done in recent years by the Connecticut General Assembly, led by this Committee, to help close the gender wage gap. Public Act 15-196 prohibited pay secrecy and Public Act 18-8 prohibited the use of salary history in the application process. Public Act 21-30 required employers to provide salary ranges for vacant positions upon request or before an initial job offer is made, upon hire or upon a change in an employee's position. HB 6273 strengthens current law by requiring employers to provide salary ranges on public and internal job postings.

Providing the salary range on job postings empowers applicants to advocate for themselves. It creates an open dialogue from the very beginning of the hiring process. When job applicants are informed, they can more successfully negotiate their compensation, which helps close the wage gap. Without that information, women often ask for less than their male counterparts, even when they better qualified for the position. Several states, including Colorado, California and Washington have passed laws requiring salary ranges to be provided on job postings because they help close the gender wage gap by decreasing conscious and unconscious bias related to identity, gender, race, and previous pay levels.

We urge the Committee to continue its laudable efforts to close the gender wage gap by supporting this bill.

# HB 6285 An Act Concerning Employers and Employees' Union Memberships - SUPPORT

We thank House Majority Leader Rojas for introducing this bill.

The National Labor Relations Act (NLRA) of 1935 guarantees workers the right to organize into labor unions and take collective action to bargain for better terms and conditions for work. It also created the National Labor Relations Board (NLRB), which governs relationships between employers and union employees and has jurisdiction over most private sector businesses as it relates to employees' concerted activity. Discriminating against a job seeker or employee based on their participation in a union is an Unfair Labor Practice and could result in the NLRB opening an investigation.

HB 6285 would ensure that public sector workers enjoy the same freedom from discrimination that private sector workers enjoy under the NLRA. We urge the Committee to support this bill.

#### HB 6594 An Act Concerning Noncompete Agreements - SUPPORT

Noncompete agreements are contracts between workers and firms that delay employees' ability to work for competing businesses. Employers use these agreements for a variety of reasons, including protecting trade secrets or reducing costs associated with turnover. Noncompete agreements were traditionally more common in professional or managerial jobs with higher rates of pay and greater levels of responsibility, but these

agreements are becoming common in entry-level and low-wage jobs, even in the service, restaurant and hospitality industries.

The growing use of noncompete agreements is another way employers are rigging the system. By eliminating a worker's right to move to a better paying position, they artificially suppress wages, which in turn reduces overall economic growth.

Last month, the Federal Trade Commission (FTC) announced it is seeking public comment on a proposed rule to ban noncompete clauses. The proposed rule is based on the FTC's preliminary finding that non-competes constitute an unfair method of competition and violate Section 5 of the Federal Trade Commission Act. The FTC estimates that 18% of U.S. workers (30 million workers) are covered by noncompete agreements that deprive them of higher wages and better working conditions and deprive businesses of a talent pool that they need to build and expand.<sup>4</sup> The comment period is open through March 20, 2023.

In the meantime, Connecticut can make real progress with HB 6594. It prohibits the use of noncompete agreements for employees who earn less than three times the minimum wage or an independent contractor who earns less than five times the minimum wage. We are optimistic that this language protects the lowest wage workers but wonder if the wage levels are still too low to provide protection for professional employees who have no managerial responsibilities. We are encouraged that the Attorney General will have authority to enforce this prohibition. We urge the Committee to support this bill.

Thank you for the opportunity to testify. I'd be happy to answer any questions you may have.

<sup>4</sup> https://www.ftc.gov/news-events/news/press-releases/2023/01/ftc-proposes-rule-ban-noncompete-clauses-which-hurt-workers-harm-competition